



Consideration of Grant Solicitations for the Delta Community, Environment and Climate Grant Program and Delta Conservancy Small Grant Program

Staff Report

This agenda item requests Board approval of the grant solicitation notices for the Delta Community, Environment, and Climate Grant Program and Delta Conservancy Small Grant Program.

RECOMMENDATION

Staff recommend Board approval of the Delta Community, Environment, and Climate Grant Program and Delta Conservancy Small Grant Program Solicitation Notices.

DESCRIPTION

Based on the General Grant Guidelines considered by the Board today, and in anticipation of Proposition 4 Climate Bond funds being appropriated and approval of an exemption to the Administrative Procedures Act (APA), the Conservancy has prepared Solicitation Notices for the Proposition 4 Climate Bond funds. The Solicitation Notices are for the Delta Community, Environment, and Climate Grant Program and the Delta Conservancy Small Grant Program. The solicitations will only be released upon the appropriation of Proposition 4 Climate Bond funds and approval of the rulemaking exemption for APA. Each of the Solicitation Notices includes a timeline with due dates that are based on the assumption that both of those conditions will be met, and Solicitation Notices will be able to be released by August 1, 2026. If there are delays in these conditions, then the timeline and due dates in the Solicitation Notices will need to be revised accordingly.

The Delta Community, Environment, and Climate Grant Program will fund planning projects from \$100,000 to \$750,000 and implementation and acquisition projects from \$100,000 to \$2 million. The Small Grant Program will fund projects under \$100,000 on a rolling basis that make transformative investments in the Delta's social, economic, scientific, and physical infrastructure. Projects may support community needs, advance scientific research that informs resource management, or enhance tourism and public understanding of Delta places.

The Proposition 4 Climate Bond funding provided the Conservancy with \$29 million, and \$24.8 million is now available to support grants for the Delta Community, Environment and Climate Program and Small Grants Program. The Conservancy will conduct two cycles of solicitations for proposals and the Solicitation Notices in this agenda item are only for cycle one. The Conservancy anticipates awarding \$15 million in cycle one, pending final appropriation of funds and an exemption or a procedural rulemaking to address the APA requirements. The Conservancy reserved \$900,000 for the Small Grants Program and plans to split the remaining \$14.1 million relatively evenly among three priorities: Community Enhancement, Nature-Based Solutions, and Ecosystem Restoration and Climate Adaptation projects (approximately \$4.7 million for each priority). Cycle one will primarily be funded through the Proposition 4 Climate Bond funding but will be combined with remaining funding from the Proposition

68 Bond and Climate Access and Resource (CAR) Programs. Board approval of projects and awards is expected at the July and October 2027 Board meetings.

BACKGROUND

Chaptered on July 5, 2024, Senate Bill (SB) 867, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (SB 867 93020(a)(4)) (Proposition 4 Climate Bond) provided the Conservancy with \$29 million for projects that reduce the risks of climate change impacts upon communities, fish and wildlife, and natural resources, and increase public access. These Solicitation Notices are to utilize the Proposition 4 Climate Bond funds for the Delta Community, Environment, and Climate Grant Program and Delta Conservancy Small Grant Program.

The Board is considering revisions to the General Grant Guidelines (Agenda Item 12) that will serve as the basis for administering the program.

The Proposition 4 Climate Bond requires the adoption of regulations, in compliance with the APA, to implement and release its authorized funding. In order to implement the program, compliance would require an emergency rulemaking procedure. However, Assembly Bill 35 is currently going through the legislative process and if approved, will establish an exemption to the APA rulemaking requirement for Proposition 4 Climate Bond funds.

Once the General Grant Guidelines are approved, the APA exemption approved or rulemaking completed, and the funds are appropriated, the Solicitation Notices will be released to the public to encourage applications and provide instructions for submitting them.

If the Solicitation Notices are approved today, we are also requesting authority for the Executive Officer to modify the Solicitation Notices to adjust the timeliness and due dates as needed based on the timing of the APA requirements (either an exemption or emergency rulemaking regulation), the adoption of the General Grant Guidelines, and the appropriation of the funds. The goal will be to set due dates and timelines that are realistic for applicants yet allow for the expedient release of funding. The Solicitation Notices will not be released until these processes are complete. Although not anticipated, if an exemption to the APA rulemaking is not approved by the Legislature, the Solicitation Notices will not be released at this time.

SUGGESTED MOTION LANGUAGE

Move that the Board approve the Delta Community, Environment, and Climate Grant Program and the Delta Conservancy Small Grant Program Solicitation Notices as presented today with authorization for the Executive Officer to approve modifications to the Solicitation Notices related to the timeline and due dates.

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